

UNITED STATES BANKRUPTCY COURT
DISTRICT OF NORTH DAKOTA

In Re:

Bankruptcy No. 24-30010
Chapter 11 – Subchapter V

Red River Subs, Inc.,
dba Erbert and Gerbert's – Fargo,
dba Erbert and Gerbert's – Bismarck,
dba Erbert and Gerbert's – Moorhead,

Debtor.

**ORDER GRANTING MOTION TO REJECT LEASE AGREEMENT
BY AND BETWEEN RED RIVER SUBS, INC. AND 931 ON 9TH LLC**

Debtor Red River Subs, Inc. filed a Motion to Reject Office Lease Agreement by and Between Red River Subs, Inc. and 931 on 9th LLC. Doc. 6. In its motion, Debtor seeks Court authority to reject a commercial lease agreement.

The Court held a preliminary hearing on the motion on January 19, 2024. Although none of the interested parties who appeared at the preliminary hearing objected to the motion, the Court declined to grant the relief Debtor seeks until Debtor provided notice to all interested parties.

Debtor served 931 On 9th, LLC, and E & G Franchise System, Inc. with notice of the motion and the motion. Doc. 16. The Court received no objections.

Based on the motion and evidence received at the hearing, the Court finds cause for granting the relief Debtor seeks. Specifically, the Court found no evidence of bad faith and received no evidence suggesting Debtor's decision was manifestly unreasonable. To the contrary, the Court finds Debtor exercised sound business judgment and demonstrated benefit to the estate by rejecting the lease.

Therefore,

IT IS ORDERED that Debtor's Motion to Reject Lease Agreement by and Between Red River Subs, Inc. and 931 on 9th LLC is granted. Given Debtor's timely

notice of its intent to reject the lease and its efforts to promptly remove its property and vacate the leased premises, the Court finds it appropriate to order that the rejection is effective as of January 14, 2024, the date Debtor filed its motion.

The hearing scheduled for February 9, 2024, is cancelled.

Dated: February 8, 2024.

A handwritten signature in black ink, appearing to read "Shon Hastings". The signature is fluid and cursive, with the first name "Shon" and last name "Hastings" clearly distinguishable.

SHON HASTINGS, JUDGE
UNITED STATES BANKRUPTCY COURT